



2018 CDBG NOFA FAQ's

As of 02/11/2019

| | QUESTION | ANSWER |
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| 1. | The 2018 CDBG Application chart shows grants of up to \$500,000 are available for Business Assistance and/or Microenterprise. Could you confirm that the applicant would have to be a city or county? | Yes, that is correct. Only non-entitlement cities and counties may apply for Business Assistance or Microenterprise activities. If an application is funded, the Department would enter into a contract with the city or county that applied. |
| 2. | Can you confirm that no changes will be made to the application summary or the self-score and state objectives forms? | We have made minor changes to the Application Summary that should not affect an already completed application unless the applicant is requesting a waiver to the 50% rule. Please refer to the new version of the Application Summary on the HCD website under the CDBG NOFA Tab. |
| 3. | Our City will have their design phase public hearing on 12/19/18. Are we required to wait 30 days before having the formal public hearing before the local governing body or can we have the hearing on 1/14/19 (which is 25 days)? | HUD has no requirement for 30 days to elapse between your design phase and formal public hearing before the local governing body. HCD recommends 30 days but as long as there is a reasonable amount of time between the two meetings, HCD will not reject your citizen participation documentation. |
| 4. | Are letters of support encouraged, allowed or not necessary? | Letters of support are allowed. |
| 5. | We do not have a DUNS number. The sams.gov website says our access to that information is restricted. How do we verify non-debarment in this situation? | The City must get a DUNS number to access their status on the sams.gov website. Once they have a DUNS number they can perform the search. |
| 6. | We have a jurisdiction that wants to include a Supplemental Activity in their application for Public Improvements. They are considering a curb, gutter & sidewalk activity or park improvements (playground equipment). The Supplemental Activity Request form only lists Housing, Economic Development and Public Service Programs. Are only certain activities eligible? | There are two supplemental activity request forms. One for programs and one for projects. You can access them both on the HCD website at hcd.ca.gov/Grants & Funding/NOFA's/Community Development Block Grant (CDBG) Program . |



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| 7. | Is this CDBG NOFA application open to non-profits or would I have to go through the city? Our property is in the city. | A non-profit cannot apply directly to the state for CDBG funds. You will need to work with the local jurisdiction where a proposed project or program will be located. |
| 8. | On the Sample Second Notice of Public Hearing for application submittal, it says to list specific activities and dollar amounts. Our council will not be making a final decision on what we are applying for until after the City Council votes (at the public hearing). Should we list all possible proposals and what funds they are requesting in the Public Notice the City Council will be reviewing? We do not know what activities the council will choose until they vote at the meeting. | Yes, include all possible proposals and the dollar amounts requested in the Public Hearing Notice to ensure all is covered after the council has voted. Make sure the resolution only contains the approved activities and dollar amounts |
| 9. | We are in process of putting together an application for a potential project that may require displacement of a tenant. We want to make sure we are citing the correct language in our public notice to comply with NOFA requirements. Where can we find the Department's anti-displacement and relocation plan that is required as part of the Public Hearing Notice for application submittal as mentioned in Appendix C, page C-7? | <p>It does appear to indicate on page C-7 (Appendix C) that applicants are to reference an HCD relocation plan for specific language required in the public hearing notice however; there is no requirement to cite "<i>specific</i>" language provided by the Department. The statement in Appendix C page C-7 should have referenced the <i>Jurisdictions</i> relocation plan, not the <i>Department's</i> relocation plan.</p> <p>Page C-4 (Appendix C) states the public notice requirement is that it must include reference to a relocation plan if residents will be relocated as a result of a proposed activity and furthermore in the Application Submittal Hearing, the <i>jurisdiction</i> must provide the anti-displacement and relocation plan if the activity is likely to result in displacement.</p> |



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| 10. | In regards to the 50% rule and the expending of funds, does this apply to (both) a 2017 CDBG grant and a 2015 HOME grant? What is the likelihood a county would get a waiver approved? | For this NOFA only the 2017 CDBG contract is considered when evaluating expenditures as they apply to the 50% rule. If the County meets the requirements to apply for a waiver, they must follow waiver request requirements. HCD could not predict the likelihood of waiver being approved until all applications have been evaluated. |
| 11. | The NOFA states that applicants can request less than 7.5% in General Admin, however, does requesting less count as any added points or is it viewed more favorable than applications requesting the full amount? | Requesting less than 7.5% has no bearing on application rating and ranking and is not viewed more favorably by HCD staff; it is just to allow the applicant some flexibility in how they use their General Admin dollars |
| 12. | Within the Excel spreadsheet, Application Summary, under the Jurisdictional Tab, it states that the applicant must submit a Payee Data Record form (line 24), the form however states that Governmental entities, i.e., federal, state and local (including school districts) are not required to submit this form. Can you clarify whether applicants are required to submit the Payee Data Record form? | Revisions have been made to the application summary (which is posted to the HCD website) to include removing the request for the applicant to provide the Payee Data Record form. Please refer to the HCD website under Community Development Block Grant (CDBG) Programs for the new version of the Application Summary. |
| 13. | Applicants are allowed to claim a percentage of the grant for Activity Delivery. My question is this a fixed amount that will be entered into the Standard Agreement, if awarded or can an applicant request less than the full percentage amount to show more local capacity and thereby increase the chances of gaining a CDBG award? | <p>The actual amount of Activity Delivery requested will be the amount entered into the Standard Agreement, if awarded. This depends on the activity. Not all eligible activities break-out Activity Delivery in the Standard Agreement.</p> <p>Requesting less than the full percentage amount will not be viewed as having more local capacity or increase the chances of gaining a CDBG award.</p> |



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| <p>14.</p> | <p>Under the State Objective Points, Tab, in the Self-Score workbook, it states the following</p> <p><i>Certified Local Ordinances: Certified as meeting or exceeding Title 14 SRA Fire Safe Regulations, pursuant to 14 CCR 1270.01 and 1270.03.</i></p> <p>The City has adopted the California Fire Code which is more restrictive. Title 14 SRA Fire Safe Regulations is only for State Responsibility Area (SRA) which our City has none. How should the City answer this question?</p> <p>Since Title 14 does not apply and the City has adopted California Fire Code, which is more restrictive, I would assume the answer would be "Complete</p> | <p>HCD has amended the 2018 CDBG NOFA to include a more detailed outline of the State Objective point criteria.</p> <p>For clarification to your question, please review the narrative provided for State Objective scoring on the HCD website under the CDBG NOFA tab.</p> <p>If you do not find what you need to complete the application, please re-submit the question for HCD staff to research and review.</p> |
| <p>15.</p> | <p>If an applicant intends to use non-CDBG funds to acquire a project site, does this mean they are exempt from the choice limiting action rule?</p> <p>In other words, if an applicant negotiates an option or a purchase agreement and uses non-CDBG funds to tie down the site with no intent to use CDBG funds for site acquisition, is this considered a choice limiting action?</p> | <p>A choice limiting action is not triggered by source of funds used. If the applicant purchased and owned the site PRIOR to submitting an application for CDBG funding, the choice limiting action is beginning development prior to the Authority To Use Grant Funds (ATUGF).</p> <p>If the applicant completes the purchase after the application has been submitted without receiving an ATUGF for the project that also constitutes a, 'choice limiting action.'</p> |
| <p>16.</p> | <p>Is there a difference between an audit finding on single audits versus non-single audits?</p> | <p>There is a no difference, an audit finding is an audit finding. Both the State Controller's Office (SCO) audit review and a grant monitoring may result in monitoring findings that must be resolved by the applicant.</p> |



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| 17. | <p>The CDBG application states that the applicant must provide evidence of completed projects in the past 3 grant years to get maximum points for readiness.</p> <p>What it does not make clear in the application is whether the grant award and the completed project(s) both have to occur within the past three grant years. So a project awarded 4 or 5 years ago can could have been completed in the past three years. Would the applicant get points?</p> | <p>For this round, HCD will allow points for any project completed in the past 3 grant years. Future rounds of funding may affect how HCD will collect and evaluate evidence of project specific experience.</p> |
| 18. | <p>Can we use Designated Place on the ACS mapping tool to show low/mod percentage for the 2018 CDBG application? For some of the communities we work in, the Designated Place is more concise than the census tracts, as the census tracts can encompass a larger area then is needed.</p> | <p>It really depends on the scope of the project and the area of impact (benefit) to the proposed beneficiaries.</p> <p>The applicant is expected to identify the area of benefit and with acceptable data, confirm the National Objective.</p> <p>Designated Place is used for unincorporated cities and towns that have established boundaries, so the designated place boundary is almost an equivalent in reliability to the incorporated city boundary, and typically includes the contiguous residential, commercial, and industrial development. The challenge with designated place is the same as the challenge with using the whole city in terms of identifying AMI. But in terms of using it as a geography, it is acceptable.</p> |
| 19. | <p>Is the CDBG Grant Period three years?</p> | <p>The Agreement shall expire no later than 60 months from the effective date of Agreement; however, the contract expenditure deadline for all activities under the Agreement will be no more than 36 months from the effective date of the Agreement.</p> |



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| 20. | On the CDBG State Objectives Self Score Form, is it safe to assume no attachments are required for this form for the " <u>Briefly describe deliverable that documents the action</u> ". | Supporting documentation is not required for State Objective Points. A narrative response is adequate. |
| 21. | How do we complete the Capacity portion in the Self-Score workbook? | <p>The 'Reporting' portion of Capacity is a maximum of 70 points. You will answer the questions in this section based on submission of your Program Income Semi Annual(s) and Annual reports. The information entered on the Capacity Tab of the self-score sheet does not autofill the information into the activity tabs.</p> <p>You will need to enter the same information into each Activity sheet in which you are applying for grant funds.</p> |
| 22. | What NOFA date do we insert into our Resolution? The 'sample' Resolution shown in Appendix D says October 2018. | <p>Refer to Appendix D – 2018 Sample Resolution of the Governing Body.</p> <p>The 'October 2018' CDBG NOFA date shown in Section 1 in the 2018 Sample CDBG Resolution is <u>incorrect</u>.</p> <p>The correct NOFA date is November 2018, the month the original NOFA was released.</p> |
| 23. | Are we required to submit in our Application, copies of our Hearing Notices for the both the <i>Design Phase and Application Submittal</i> ? | <p>Refer to Appendix C – 2018 Public Participation, Hearings and Information Requirements.</p> <p><u>Yes</u>, copies of an applicant's Public Hearing Notices for both 'Application at the Design Phase' and 'Prior to Submitting an Application for Funding' are required in the Application.</p> |



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| 24. | <p>Regarding the 50 Percent Expenditure Rule Waiver, if we have an open 2016 CDBG Contract that has not yet expended 50 percent of the award amount, can we ask for a Waiver?</p> | <p>No, the scenario you describe does not qualify for a Waiver request of the 50 Percent Expenditure Rule. (Refer to <i>Appendix N</i> in the 2018 CDBG NOFA)</p> <p>Applicants can only request a Waiver when the following criteria applies:</p> <ol style="list-style-type: none"> 1. Received a 2017 CDBG Award; or 2. Received 2016 Special Drought and/or Disaster NOFA award(s); and, 3. Plan to submit an application for a “<i>shovel ready</i>” project, as defined below. |
| 25. | <p>Our City will be submitting an application and would like to apply for a Public Service Activity for crime awareness/prevention. We want to hire an additional police officer to work in slum/blighted areas that are suffering from high crime rates and gang violence.</p> <p>Is this activity eligible (hiring a police officer) under CDBG?</p> | <p>CDBG funds <u>may not be used</u> for the general conduct of government.</p> <p>A police patrol officer is part of the local government's responsibility; therefore, not an eligible CDBG activity.</p> <p>Eligible activities include the promotion of crime awareness and prevention, including crime prevention education programs and paying for security guards.</p> |



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| 26. | In the Self-Score Workbook in the State Objective sheet, I selected 'committed' but the corresponding description box doesn't turn yellow. Do I need to add a narrative description to receive points? | Yes, all description boxes must be completed to receive points. |
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